

LEGISLATURE OF NEBRASKA  
NINETY-SEVENTH LEGISLATURE  
SECOND SESSION

**LEGISLATIVE BILL 1053**

Introduced by Connealy, 16

Read first time January 14, 2002

Committee: Revenue

A BILL

1 FOR AN ACT relating to school levies; to amend section 77-3442,  
2 Revised Statutes Supplement, 2001; to change provisions  
3 relating to the maximum levy; and to repeal the original  
4 section.

5 Be it enacted by the people of the State of Nebraska,

1           Section 1. Section 77-3442, Revised Statutes Supplement,  
2   2001, is amended to read:

3           77-3442. (1) Property tax levies for the support of  
4   local governments for fiscal years beginning on or after July 1,  
5   1998, shall be limited to the amounts set forth in this section  
6   except as provided in section 77-3444.

7           (2) (a) Except as provided in subdivision (2) (b) of this  
8   section, school districts and multiple-district school systems may  
9   levy a maximum levy of (i) one dollar and ten cents per one hundred  
10   dollars of taxable valuation of property subject to the levy until  
11   fiscal year 2001-02 and (ii) one dollar per one hundred dollars of  
12   taxable valuation of property subject to the levy for fiscal year  
13   2001-02 and all subsequent fiscal years. Excluded from this  
14   limitation are amounts levied to pay for sums agreed to be paid by  
15   a school district to certificated employees in exchange for a  
16   voluntary termination of employment, amounts in excess of the prior  
17   year's expenditures levied to pay for sums agreed or ordered by the  
18   Commission of Industrial Relations to be paid by a school district  
19   to certificated employees as compensation, including the costs of  
20   benefits, and amounts levied to pay for special building funds and  
21   sinking funds established for projects commenced prior to April 1,  
22   1996, for construction, expansion, or alteration of school district  
23   buildings. For purposes of this subsection, commenced means any  
24   action taken by the school board on the record which commits the  
25   board to expend district funds in planning, constructing, or  
26   carrying out the project.

27           (b) Federal aid school districts may exceed the maximum  
28   levy prescribed by subdivision (2) (a) of this section only to the

1 extent necessary to qualify to receive federal aid pursuant to  
2 Title VIII of Public Law 103-382, as such title existed on  
3 September 1, 2001. For purposes of this subdivision, federal aid  
4 school district means any school district which receives ten  
5 percent or more of the revenue for its general fund budget from  
6 federal government sources pursuant to Title VIII of Public Law  
7 103-382, as such title existed on September 1, 2001.

8 (3) Community colleges may levy a maximum levy on each  
9 one hundred dollars of taxable property subject to the levy of (a)  
10 eight cents for fiscal year 1998-99 and fiscal year 1999-2000 and  
11 (b) seven cents for fiscal year 2000-01 and each fiscal year  
12 thereafter.

13 (4) Natural resources districts may levy a maximum levy  
14 of four and one-half cents per one hundred dollars of taxable  
15 valuation of property subject to the levy.

16 (5) Educational service units may levy a maximum levy of  
17 one and one-half cents per one hundred dollars of taxable valuation  
18 of property subject to the levy.

19 (6) (a) Incorporated cities and villages which are not  
20 within the boundaries of a municipal county may levy a maximum levy  
21 of forty-five cents per one hundred dollars of taxable valuation of  
22 property subject to the levy plus an additional five cents per one  
23 hundred dollars of taxable valuation to provide financing for the  
24 municipality's share of revenue required under an agreement or  
25 agreements executed pursuant to the Interlocal Cooperation Act or  
26 the Joint Public Agency Act. The maximum levy shall include  
27 amounts levied to pay for sums to support a library pursuant to  
28 section 51-201, museum pursuant to section 51-501, visiting

1 community nurse, home health nurse, or home health agency pursuant  
2 to section 71-1637, or statue, memorial, or monument pursuant to  
3 section 80-202.

4 (b) Incorporated cities and villages which are within the  
5 boundaries of a municipal county may levy a maximum levy of ninety  
6 cents per one hundred dollars of taxable valuation of property  
7 subject to the levy. The maximum levy shall include amounts paid  
8 to a municipal county for county services, amounts levied to pay  
9 for sums to support a library pursuant to section 51-201, a museum  
10 pursuant to section 51-501, a visiting community nurse, home health  
11 nurse, or home health agency pursuant to section 71-1637, or a  
12 statue, memorial, or monument pursuant to section 80-202.

13 (7) Sanitary and improvement districts which have been in  
14 existence for more than five years may levy a maximum levy of forty  
15 cents per one hundred dollars of taxable valuation of property  
16 subject to the levy, and sanitary and improvement districts which  
17 have been in existence for five years or less shall not have a  
18 maximum levy. Unconsolidated sanitary and improvement districts  
19 which have been in existence for more than five years and are  
20 located in a municipal county may levy a maximum of eighty-five  
21 cents per hundred dollars of taxable valuation of property subject  
22 to the levy.

23 (8) Counties may levy or authorize a maximum levy of  
24 fifty cents per one hundred dollars of taxable valuation of  
25 property subject to the levy, except that five cents per one  
26 hundred dollars of taxable valuation of property subject to the  
27 levy may only be levied to provide financing for the county's share  
28 of revenue required under an agreement or agreements executed

1 pursuant to the Interlocal Cooperation Act or the Joint Public  
2 Agency Act. The maximum levy shall include amounts levied to pay  
3 for sums to support a library pursuant to section 51-201 or museum  
4 pursuant to section 51-501. The county may allocate up to fifteen  
5 cents of its authority to other political subdivisions subject to  
6 allocation of property tax authority under subsection (1) of  
7 section 77-3443 and not specifically covered in this section to  
8 levy taxes as authorized by law which do not collectively exceed  
9 fifteen cents per one hundred dollars of taxable valuation on any  
10 parcel or item of taxable property. The county may allocate to one  
11 or more other political subdivisions subject to allocation of  
12 property tax authority by the county under subsection (1) of  
13 section 77-3443 some or all of the county's five cents per one  
14 hundred dollars of valuation authorized for support of an agreement  
15 or agreements to be levied by the political subdivision for the  
16 purpose of supporting that political subdivision's share of revenue  
17 required under an agreement or agreements executed pursuant to the  
18 Interlocal Cooperation Act or the Joint Public Agency Act. If an  
19 allocation by a county would cause another county to exceed its  
20 levy authority under this section, the second county may exceed the  
21 levy authority in order to levy the amount allocated.

22 (9) Municipal counties may levy or authorize a maximum  
23 levy of one dollar per one hundred dollars of taxable valuation of  
24 property subject to the levy. The municipal county may allocate  
25 levy authority to any political subdivision or entity subject to  
26 allocation under section 77-3443.

27 (10) Property tax levies for judgments obtained against a  
28 political subdivision which require or obligate a political

1 subdivision to pay such judgment, to the extent such judgment is  
2 not paid by liability insurance coverage of a political  
3 subdivision, for preexisting lease-purchase contracts approved  
4 prior to July 1, 1998, for bonded indebtedness approved according  
5 to law and secured by a levy on property, and for payments by a  
6 public airport to retire interest-free loans from the Department of  
7 Aeronautics in lieu of bonded indebtedness at a lower cost to the  
8 public airport are not included in the levy limits established by  
9 this section.

10 (11) The limitations on tax levies provided in this  
11 section are to include all other general or special levies provided  
12 by law. Notwithstanding other provisions of law, the only  
13 exceptions to the limits in this section are those provided by or  
14 authorized by sections 77-3442 to 77-3444.

15 (12) Tax levies in excess of the limitations in this  
16 section shall be considered unauthorized levies under section  
17 77-1606 unless approved under section 77-3444.

18 (13) For purposes of sections 77-3442 to 77-3444,  
19 political subdivision means a political subdivision of this state  
20 and a county agricultural society.

21 Sec. 2. Original section 77-3442, Revised Statutes  
22 Supplement, 2001, is repealed.